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15 **UNITED STATES DISTRICT COURT**
FOR THE NORTHERN DISTRICT OF CALIFORNIA

16 IN RE HIGH-TECH EMPLOYEE
17 ANTITRUST LITIGATION

Case No.: C 11-CV-2509-LHK

18 THIS DOCUMENT RELATES TO:
19 ALL ACTIONS

**DECLARATION OF JAMES M.
KENNEDY PURSUANT TO CIVIL
LOCAL RULE 79-5 SUBMITTED
IN SUPPORT OF DEFENDANTS'
JOINT ADMINISTRATIVE
MOTION TO FILE UNDER SEAL**

21 Date: August 8, 2013
22 Time: 1:30 p.m.
23 Courtroom: 8, 4th Floor
24 Judge: Hon. Lucy H. Koh

DECLARATION OF JAMES M. KENNEDY

I, James M. Kennedy, declare as follows:

1. I am the Senior Vice President, Business Strategy and Chief Legal Counsel for
 2 Pixar, and I am an attorney licensed to practice law in the State of California. The matters set
 3 forth herein are true and correct of my own personal knowledge and information provided to
 4 me. If called as a witness, I could and would testify competently thereto.

5 2. I submit this declaration pursuant to Civil Local Rule 79-5 and this Court's
 6 Standing Order with respect to documents that Defendants request be maintained under seal.
 7 *See Defendants' Joint Administrative Motion to File Under Seal filed on June 21, 2013*
 8 ("Defendants' Joint Motion"). Pixar requests that certain materials designated as confidential
 9 by Pixar and lodged under seal be sealed pursuant to Civil Local Rule 79-5. In particular, Pixar
 10 requests that the Court maintain under seal portions of the Expert Report of Kathryn Shaw, Ph.D
 11 ("Shaw Report") and certain exhibits attached to the Declaration of Lin Kahn ("Kahn
 12 Declaration"). Public versions of these materials were filed on June 21, 2013. In the public
 13 versions, the parties redacted those portions that refer to the contents of Pixar's confidential
 14 information.

15 3. I have reviewed the Shaw Report and Defendants' Joint Motion. Good cause
 16 exists to file under seal the following paragraphs, lines, and exhibits, which contain
 17 competitively sensitive and proprietary information about Pixar's compensation practices and/or
 18 confidential and highly sensitive personal information about Pixar employees. Pixar's proposed
 19 redactions to these documents are being lodged with the Court.

20 4. Shaw Report

21 a. Good cause exists to seal portions of footnote 25, paragraphs 25 and 26 of
 22 Appendix C and paragraph 24 of Appendix D of the Shaw Report. The information contained
 23 within that footnote and those paragraphs reflect highly confidential and competitively sensitive
 24 information regarding Pixar's compensation structure and average annual salary increases.
 25 Disclosure would create a substantial risk of serious competitive harm to Pixar because its
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1 competitors would gain detailed insight into Pixar's competitive and proprietary compensation
 2 practices. Pixar would be placed at a significant competitive disadvantage with respect to its
 3 compensation strategies and would therefore be prejudiced if the information were made
 4 available to the general public.

5 b. Good cause exists to seal portions of the following exhibits to the Kahn
 6 Declaration:

- 7 • Exhibit 4: (Page 71 (lines 2, 8, 18, and 20); Page 89 (lines 9-16); Page 169 (line
 8 23); and Page 170 (lines 2 and 18)); and
- 9 • Exhibit 22: (Page 44 (line 25); Page 45 (lines 3, 5, and 9); Page 46 (lines 2, 3 ,4,
 10 12, and 21); and Page 47 (lines 1, 2, 5, 9, and 11)).

11 The information contained in these exhibits reflect highly confidential information
 12 about Pixar's compensation structure and average annual salary increases. Disclosure would
 13 create a substantial risk of serious competitive harm to Pixar because its competitors would gain
 14 insight into Pixar's competitive and proprietary compensation practices. Pixar would be placed
 15 at a significant competitive disadvantage with respect to its compensation strategies and would
 16 therefore be prejudiced if the information were made available to the general public.

17 c. Good cause exists to seal in its entirety Exhibit 27 to the Kahn
 18 Declaration. The exhibit reflects extensive confidential, non-public personal identifying
 19 information about certain Pixar employees and highly sensitive confidential information about
 20 their salaries and raises. Disclosure could cause great personal harm to these individuals. This
 21 exhibit also reflects highly confidential and competitively sensitive information about Pixar's
 22 compensation practices, including specific information related to salary increases and stock
 23 option grants guidelines. Disclosure would create a substantial risk of serious competitive harm
 24 to Pixar because its competitors would gain insight into Pixar's competitive and proprietary
 25 compensation practices. Pixar would be deprived of its investments in developing these
 26 practices and would be placed at a significant competitive disadvantage with respect to its
 27 compensation strategies.

5. I declare under penalty of perjury under the laws of the State of California and the United States that the foregoing is true and correct.

Executed on June 21, 2013, in Emeryville, CA.

James M. Kennedy

James M. Kennedy